Panel Decision for dispute CAC-ADREU-001422

Case number	**CAC-ADREU-001422**
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Domain names	**portas.eu**

Case administrator

Name	**Josef Herian**

Complainant

Organization / Name	**Portas Deutschland**

Respondent

Organization / Name	**EURid**

INSERT INFORMATION ABOUT OTHER LEGAL PROCEEDINGS THE PANEL IS AWARE OF WHICH ARE PENDING OR DECIDED AND WHICH RELATE TO THE DISPUTED DOMAIN NAME

The Panel is not aware of any pending or decided legal proceedings which relate to the disputed domain name.

FACTUAL BACKGROUND

History of Application for Registration

The Complainant applied for registration of the domain name <portas.eu> on 7 December 2005. The Validation Agent received the documentary evidence on 26 December 2005 within the deadline set by the the .eu Registration Policy and Term and Conditions for Domain Name Applications made during the Phased Registration Period (hereinafter “the Sunrise Rules”)

The Complainant was at all material times the owner of certain registered trade marks that would have satisfied the registration criteria under the Sunrise Rules viz. CTM 000774554 “PORTAS” registered as a figurative mark on 20 August 20, 2001 and German Registered Trade Mark 39815196.2 “PORTAS” which has been registered at the German Patent- and Trade Mark Office on 5 August 1998.

However, due to a lack of expertise on the part of the Complainant, the documentary evidence with which the Validation Agent was provided, contained only an extract of the Companies Register which was evidence of the Complainant’s rights in its trade name but did not provide any evidence of rights in any national or Community trade mark as required to provide priority under the first phase of the sunrise period.

No investigation of the Complainant’s rights was carried out by either the Validation Agent or the Respondent.

The Respondent rejected the Complainant's application on the grounds that the Complainant had failed to submit documentary evidence which showed that it is the holder of a Prior Right.

History of ADR Proceedings

On 17 May 2006 the Complaint was filed and an Acknowledgement of Receipt of Complaint was filed on 23 May 2006 On 23 May 2006 a Request for EURid Verification was made and a reply was received by way of Nonstandard Communication on 29 May 2006.
On 31 May 2006, following a Complaint Check, a notice of Commencement of ADR Proceeding was filed on 31 May 2006. The Date of Receipt of Notification of Complaint was 31 May 2006.

On 22 July 2006, a late Response was filed by the Respondent and a Notification of Respondent Default was posted on 26 July 2006.

On 28 July 2006, the Complainant filed a NonStandard Communication in accordance with Paragraph A2 (k) of the ADR Rules.

On 2 August 2006 the Panellist was selected and having received a Statement of Acceptance and Declaration of Impartiality and Independence from the Panellist on 3 August 2006, the Notification of Appointment of the ADR Panel and Projected Decision Date was posted on 3 August 2006 and the case file was transmitted to the ADR Panel on 7 August 2006.

The Parties

The Complainant is a German body corporate. For more than 30 years the Complainant has developed a large range of products and services providing home renovation solutions e.g. door renovation, kitchen renovation, staircase renovation and window renovation.

The Complainant is the owner of the CTM 000774554, PORTAS which has been registered as a figurative mark on 20 August 2001.

The Complainant also is the owner of the German Registered Trade Mark PORTAS, registration number 39815196.2 which was registered on 5 August 1998.

In addition to its registered trade mark rights the Complainants has rights in its name PORTAS. The Complainant company has been known by the name “PORTAS” ever since its establishment and the name of the company is protected under German national law by Section 12 of the German Civil Code.

Furthermore the Complainant carries on business throughout the European Community and owns a number of ccTLDs and gTLDs, including <portas.at>; <portas.be>; <portas.biz>; <portas.ch>; <portas.com>; <portas.com.pl>; <portas.de>; <portas.dk>; <portas.fr>; <portas.li>; <portas.lu>; <portas.net>; <portas.nl>; <portas.org>; <portas.pl>; <portas.se>; <portas.us>; and <portas.ws>.

The Respondent is EURid.

A. COMPLAINANT

Preliminary Procedural Matter relating to Admissibility of Response

In a non-standard submission, the Complainant submits that the Registry has failed to comply with the deadline set out by the Arbitration Court and the Response should not be admitted. In support of this submission the Complainant cites the decisions of the learned panellists in ESGE (ADR EU Case No. 325) and CAPRI (ADR EU Case No. 396).

Complainants Substantive Submissions

The Complainant requests the Respondents decision to refuse registration of the domain name <portas.eu> be annulled and the domain name be registered in the name of the Complainant. The Complainant submits that it has filed its application in accordance with Regulation (EC) No 733/2002 of the European Parliament and of the Council of 22 April 2002 on the implementation of the .eu Top Level Domain and Commission Regulation (EC) No 874/2004 of 28 April 2004 laying down public policy rules concerning the implementation and functions of the .eu Top Level Domain and the principles governing registration and so has satisfied all registration criteria.

In particular, Article 5 (1) (b) of EC Regulation No. 733/2002 states as a principle that a public policy on speculative and abusive registration of domain names shall be implemented including the possibility of registrations of domain names in a phased manner to ensure appropriate temporary opportunities for the holder of prior rights recognised or established by national and/or Community law and for public bodies to register their names.

Another principle in the implementation of the .eu domain is included in Recital (11) of Commission Regulation No. 874/2004 viz. that the principle of first-come-first-served should be the basic principle for resolving a dispute between holders of prior rights during the phased registration.

According to s. B 11 (D) (2) of the .eu Alternative Dispute Resolution Rules (the “ADR Rules”) the Panel is obliged to grant relief to the Complainant where a decision taken by the Respondent conflicts with any of the EU Regulations. This is in accordance with Article 22 of Commission Regulation No. 874/2004 where it is stated that an ADR procedure may be initiated by any party where a decision by the Registry conflicts with Commission Regulation No. 874/2004 or with Regulation No. 733/2002.

The Complainant's application for registration of the domain name is issue, clearly indicated that the application was based on a registered trade mark. The Complainant has also correctly specified the trade mark PORTAS and that the priority rights are based on this trade mark.

In accordance with the requirements of the Sunrise Rules, the Complainant has also filed the official form of the Registry after downloading this form through the Registry's Internet platform. This form addressed to the Validation Agent includes further statements by the complainant that are an important factor within this ADR proceeding.

Within this application letter to the Validation Agent, the Complainant has declared by signing and accepting the terms and conditions of the official cover sheet that

• it is the owner of the priority right on which the registration is based on
• it fulfils all matters stated in EC regulation 733/2002
• the Complainant's priority right is valid in accordance with the law and all formalities and rules have been fulfilled

It follows that that the Complainant fulfilled all criteria set out in Article 10 of Commission Regulation 874/2004 as the Complainant is the holder of a Priority Right mentioned in that Article.

The Complainant submits that in a case such as this, where the Complainant is the only applicant for a domain name, the domain name should be granted to the Complainant when the Prior Right is proven. As shown in the evidence, the Complainant is the holder of the German national registered trade mark PORTAS and therefore enjoys a Prior Rights in the sense of Article 10 of Commission Regulation 874/2004.

In addition the criteria set out in Article 10 of Commission Regulation 874/2004 are also proven as the Complainant is also the owner of CTM 000774554, PORTAS which was registered as a figurative mark, on August 20, 2001.

The Complainant submits that it has therefore presented two qualifying Prior Rights, each of which fulfil the requirements of Article 10 of Commission Regulation 874/2004.
Additionally the Complainant also fulfils the criteria established by Recital (11) of Commission Regulation No. 874/2004, namely the principle of first-come-first-served. The Complainant was the very first to apply to register for the domain name <portas.eu> and therefore the domain name should be granted to the Complainant. In addition no other active application is in the queue of WHOIS.eu so that no other party is seeking to apply for the domain name and according to the principles mentioned above no party other than the Complainant has the right to register the domain.

The Complainant's application was supported by the various statements given on the cover sheet presented to the Validation Agent and the Respondent where the Complainant declared in a legally binding way that it is the owner of a Priori Right and the Complainant's Prior Right is valid in accordance with the law and all formalities and rules concerning the trade mark PORTAS have been fulfilled.

The name "PORTAS Deutschland" used in the domain application is simply a short reference to "PORTAS Deutschland Folien GmbH + Co. Fabrikations KG". Under German law no other company would be allowed to name its firm "PORTAS Deutschland" as the Complainant would be able to take legal action against such a company on the ground of priority name and trade mark rights. "PORTAS Deutschland" is a common short reference and by no means could EURid come to the conclusion that the Complainant is not the owner of the trade mark.

The Complainant made certain further submissions on the rules governing registration during the Sunrise Period of domain names based on prior rights consisting of figurative marks. This issue is not relevant to the outcome of these proceedings.

The Complainant submits that in the circumstances outlined, there was an obligation on the Validation Agent to carry out an investigation of the Complainant's Rights and such an investigation would have easily established the Complainants Prior Rights and allowed its Sunrise application to proceed.

The Complainant's application for registration of the domain name was submitted by a non-lawyer and the application forms were completed to the best of that person's knowledge. The forms were submitted together with further documents concerning the Complainant's company name PORTAS and it was indicated that the Complainant was the owner of a national trade mark.

Recitals (2) and (3) of Commission Regulation 874/2004 provide that the registration of .eu domain names shall be "simple" and

“transparent” . Therefore the system must be open to non-lawyers as well to make it “simple” in the sense of the EU Regulations. So if a non-lawyer applies for a domain name and presents further documents concerning the company and the main part of the company’s name “Portas” and also indicted that the company is the owner of a trade mark as a priority right this ought to be sufficient in the sense of being a “simple” and “transparent” application system.

If the Registry required further documentary evidence it would have been “simple” and “transparent” to ask the Complainant to present this. Otherwise the system is not “simple” and Section 21 of the Sunrise Rules would not make any legal sense.

In this case also Sec. 21 (3) of the Sunrise Rules plays a crucial factor. According to s. 21 (3) of the Sunrise Rules the Validation Agent is not obliged, but permitted in its sole discretion, to conduct its own investigations into the circumstances of the Application, the Prior Right claimed and the Documentary Evidence provided.

This rule requires the Validation Agent to conduct its own investigation in cases where the Prior Right is indicated and such evidence is given to the Validation Agent. If a trade mark is indicated to the Registry as a Prior Right, the Validation Agent shall. within its discretionary powers under s. 21 (3) of the Sunrise Rules be obliged to check the online trade mark register of the OHIM or the national trade mark office if it is in any doubt of the Prior Right. The online register can be reached within seconds and all relevant information can be viewed and validated within seconds.

Both the Respondent and the OHIM are EU based institutions and it should be easy for the Respondent or the Validation Agent to access the OHIM database.

Within the validation process it is prima facie a minimum requirement for the Validation Agent to carry out such an online check if there is any doubt of the evidence presented to it.

The Complainant submits that the Regulations impose on the Respondent a requirement to operate an open, transparent and non-discriminatory procedure. In accordance with Recital (13) of the EC Regulation 733/2002, the designation of the registry should be based on an open, transparent and non-discriminatory selection procedure. In accordance with Article 4 2 (a), the Respondent is obliged to organise, administer and manage the .eu TLD in the general interest and on the basis of principles of quality, efficiency, reliability and accessibility. These principles have been violated by the Respondent during the process of rejecting the Complainant’s application.

Neither the specific reasons nor the factual grounds for the rejection are clear or comprehensible to the Complainant so that a full review of the application should be carried out by the Panel regarding the evidence presented and the factual and legal grounds stated above.

In a Non Standard Submission, relying in particular on the decision of the panel in CAPRI, (ADR EU, Case No. 00396), the Complainant submits that it is the right of the Complainant to present its Prior Right within the ADR proceedings if this right was not made clear within the registration process. Furthermore it is“ the own and honourable right of the panel” to validate the evidence that has been presented to it and decide on its own if a Priority Right exits or not. Otherwise the formalistic rules would win over justice and the panel has made it clear that this would not be acceptable.

Finally the Complainant submits that having a long tradition and reputation in Europe and having its headquarters based in Germany as a member state of the European Union, the Complainant’s products are associated with their origin from the European Union all over the world. The domain name which the Complainant applied for will make the link to the European Union and the internal market even more obvious. The Complainant’s customers from throughout the European Union will expect the Complainant to maintain a website under the TLD of the European Union.

B. RESPONDENT

In a late Response, the Respondent argued that Article 10 (1) of Regulation 874/2004 states that only holders of Prior Right which are recognised or established by national or Community law shall be eligible to apply to register domain names during a period of phased registration before general registration of .eu domain starts.

Pursuant to article 14 of the Regulation 874/2004, the onus rests on the applicant to submit documentary evidence showing that he or she is the holder of the Prior Right claimed on the name in question. Based on this documentary evidence, the validation agent shall examine whether the applicant has Prior Right on the name.

Section 21 (2) of the Sunrise Rules states that the Validation Agent shall examine whether an applicant has a Prior Right to the name exclusively on the basis of a prima facie review of the first set of documentary evidence it has received.

The Complainant applied for the domain name <portas.eu> on 7 December 2005 and the Validation Agent received the documentary evidence on 26 December 2005, which was before the January 16, 2006 deadline.

The Respondent rejected the Complainant's application as the Complainant had failed to submit documentary evidence which showed that it is the holder of a Prior Right.

Addressing the Complainant's submissions, the Respondent notes that the Complainant states that it is the holder of a Prior Right in the PORTAS sign. In support of this argument, the Complainant refers to a number of PORTAS trademarks, domain names consisting of the sign PORTAS and its trade name. Furthermore, the Complainant argues that the cover letter which it submitted contains various representations and warranties. One of these representations and warranties states that the Applicant is the owner, right-holder or licensee of the claimed Prior Right. The Respondent further notes that the Complainant has claimed that on the date of the Application, the claimed Prior Right was a legally valid right for which all necessary formalities and requirements had been complied with. The Complainant seems to be arguing that these representations and warranties should be understood to impose an implied examination obligation on the Validation Agent. The mere indication by an applicant that it is the holder of a national trademark imposes an obligation for the Validation Agent to consult the trade mark registers.

Section 23 of the Sunrise Rules require the agent to conduct its own investigation in cases where the priority right is indicated as such, and such evidence is given to the Validation Agent. If a trade mark is indicated to the Registry as a Prior Right the Validation Agent shall, within its discretionary powers, in the light of s. 21 (3) of the Sunrise Rules be obliged to check the online trade mark register of the OHIM or the national trade mark office if he is in any doubt of the priority right.

The Respondent makes particular reference to the following statement made by the Complainant:

The Complainant has submitted the domain name application by a non-lawyer. The documentary evidence with which the Validation Agent was provided, contained only an extract of the Companies Register, that was evidence that the Complainant has rights in its trade name. Such a right however cannot be accepted as a Prior Right for applications made during the first stage of the Sunrise Period. The documentary evidence however did not contain any evidence that the Complainant is the holder of a trade mark.

The Respondent submits that the burden of proof is with the Complainant pursuant to the Regulations and the Sunrise Rules, the onus lies on the applicant to submit all documents which the Validation Agent needs in order to assess whether an applicant is the holder of a Prior Right corresponding to the domain name. If an applicant fails to submit such documents, its application must be rejected. Pursuant to the texts just mentioned, the relevant question is not whether an applicant is the holder of a Prior Right, but whether an applicant proves to the Validation Agent that it is the holder of a Prior Right.

The Complainant however, seems to be requesting the Panel to ignore the Regulations and the Sunrise Rules on this matter.

Pursuant to Article 14 (4) of the Regulation, the documentary evidence must clearly show that the applicant is the holder of the Prior Right claimed on the name in question. The Panels in cases NAGEL (ADR EU Case No. 00119) and GMP, (ADR EU Case No 954) clearly stated that Article 14 of the Regulation puts the burden on the applicant to prove that it holds a prior right. If an applicant fails to prove that it is the holder of a Prior Right, the application must be rejected.

Merely indicating that one is the holder of a Prior Right is insufficient. Indeed, s. 21 (3) of the Sunrise Rules clearly states that the Validation Agent is not obliged, but is permitted in its sole discretion, to conduct its own investigations into the circumstances of the application, the Prior Right claimed and the Documentary Evidence produced.

Moreover, s. 21 (2) of the Sunrise Rules states that the Validation Agent shall examine whether an applicant has a prior right to the name exclusively on the basis of a prima facie review of the first set of Documentary Evidence it has received.

Thus, it should be clear that the Documentary Evidence submitted by the Complainant should stand on its own and prove that the Complainant is the holder of a Prior Right.

The Panel in ULTRASUN (ADR EU Case No. Case No. 541), agreed that a Validation Agent is not obliged to investigate whether the applicant did at one stage own the Prior Right. Under the Sunrise Rules, a Validation Agent is only concerned with establishing the prima facie ownership of the Prior Right at the time of the application and based on the documents filed by the applicant.

In ISL (ADR EU Case No. Case No 219), the Panel also agreed that an application must be rejected if an applicant has failed to submit the required documentary evidence. Said Panel concluded that the burden of proof of an existing Prior Right lies upon the applicant

(Complainant) for a domain name under the sunrise periods and neither the validation agent nor the Registry/Respondent has any obligations to undertake further investigations of the (possible) existence of the Prior Right claimed in a situation as described under this ADR proceeding where there in the Panels opinion can be no doubt about what documentary evidence is sufficient.

The Complainant states that the effect of the representations and warranties in the Sunrise Rules and on the cover letter would be that the Respondent must rely on an applicant's statements. One of these warranties states that the Prior Right claimed is, on the date of the Application, a legally valid right. The Complainant argues that the Respondent may not doubt the correctness of the information with which it was provided. The Respondent submits that the Complainant's argument does not take Article 14 (10) of the Regulation into account which states that the Respondent shall register the domain name, on the first come first served basis, if it finds that the applicant has demonstrated a prior right in accordance with the procedure set out in the second, third and fourth paragraphs. The existence of representations and warranties has no effect on the Respondent's obligations pursuant to article 14 (10) of the Regulation. Pursuant to this article the Respondent must still examine whether an applicant is the holder of a prior right and must not rely on an applicant's statement to this regard.

Addressing the entitlement of the Complainant to furnish additional documentation, the Respondent notes that the Complainant has submitted extracts of the CTM and German Trademark Registers, so as to prove that it is the holder of a prior right, in an attempt to correct its mistake.

The Respondent notes that these extracts were not enclosed with the Documentary Evidence in the application. The Respondent requests the Panel in the case at hand to disregard these extracts as they were submitted for the first time to the Respondent in the framework of the present ADR proceedings.

Section 21 (2) of the Sunrise Rules states that the Validation Agent will examine whether the applicant has a Prior Right to the name exclusively on the basis of a prima facie review of the first set of documentary evidence received.

In COLT (ADR EU Case No.294), the Panel was confronted with a similar situation. The complainant claimed to be the licensee of the COLT trademark. Pursuant to section 20 (1) one must file a licence declaration signed by both the licensor and the licensee in order to prove that one is licensed to use a trademark. The licence declaration in the COLT case however was signed by a licensor whose name was similar, both consisted of the word MITSUBITSHI, but nevertheless different from the name mentioned on the COLT trademark. The Respondent decided to reject the complainant's application for the COLT domain name.

The Complainant was notified of this rejection and subsequently filed a complaint, with which it enclosed articles of incorporation allegedly showing that the name of the holder of the COLT trademark had changed. The Panel however stated that:
In the present case, the Complainant did not prove the timely substantiation of the Prior Right and a copy of the articles of incorporation, enclosed with the Complaint, was submitted too late to be considered.

The Panel in effect stated that the Complainant in that case failed to substantiate that it was properly licensed as it only submitted evidence thereof during the ADR proceedings, whereas it should have filed this evidence with all its documentary evidence.

The Panels in ISL (ADR EU Case No 219) and GMP (ADR EU Case No 954) also accepted that documents which were are not part of the first set of documents submitted to the validation agent at the application stage should be disregarded in ADR proceedings against the Respondent.

Article 22 (1) b of the Regulation states that a decision taken by the Respondent may only be annulled when it conflicts with this Regulation. Thus, only the documents which the Respondent was able to examine at the time of validation of an application should be considered by the Panel. The Respondent cannot have made a decision which would conflict with the Regulation if it was not provided with all the information. It must again be noted that an applicant bears the burden of proof thereto.

For the sake of completeness, the Respondent submitted that domain names are not considered to be Prior Rights.. Indeed, article 10 (1) of the Regulation provides in an exhaustive list of the Prior Rights on which an application of a domain name may be based. Therefore, the Complainant's reference to the domain names of which it claims to be the holder is not relevant in the case at hand.

For the reasons mentioned above, the Respondent submits that the Complaint must be rejected.

DISCUSSION AND FINDINGS

Preliminary Procedural Matter - Admission of Late Response

Firstly to address the Complainant's submission that the late Response should not be admitted.

In ESGE (ADR EU Case No. 325), addressing the obligation on the Respondent during the Sunrise Period to comply with the time limits, the panel refused to admit a late response in the following terms:

"Applicants for domain name are themselves subject to official deadlines which they must necessarily comply with, save for being subject to the loss of their rights.

The Panel is of the opinion that the Respondent, even though it has been afforded sufficient time and opportunity to respond to the Complainant, has ignored the official time limits imposed by the Rules and filed arguments lately.

It seems fair to the Panel therefore to consider that the Respondent's arguments must be found inadmissible and must not be taken into account in the present proceedings."

That view was stated very strongly in LUMENA where the panel stated:

" Should the Panel take into consideration the contents of the Respondent's NonStandard Communication, the Panel would violate the duty provided for by Paragraph 7(b) of the ADR Rules, to treat the parties fairly and with equality."

It seems however to this panellist, that the approach to a late response should be taken on a case by case basis. It is important not to fetter the discretion but it also important that the panellists discretion should not be at large or arbitrary and the discretion should be exercised on the basis of a principled approach.

The difficulty facing panellists in these early cases in the ADR EU is that the principles that panellists should apply in ADR EU cases and many other conventions are still in the process of being formed. In an earlier decision, CORK, ADR EU Case No. 504, this Panellist, as a member of a three person panel, refused to admit the late response but took notice of the content. This has been the approach of a number of panelists. The panel in that case also agreed "that Article 22(10) of the Commission Regulation (EC) No 874/2004 does not mean that the belated Response will automatically result in a successful Complaint, but that the Panel will rather apply the law as it stands to the facts put forward by the Complainant (see Raad voor Rechtsbijstand v. Traffic Web Holding and EURid, Case No. 335 – MEDIATION.eu)."

In the view of this Panel, there is a qualitative distinction between the time limits set for pleadings in an ADR process and the time limits imposed on an applicant to furnish evidence of its Prior Rights during the Sunrise Period. In the former case the primary issue should be whether the delay has prejudiced the other party whereas in the latter case the time limits were imposed to allow the .eu domain to be efficiently launched with due regard to owners of Prior Rights.

Substantive Issues

This Complaint arises out of the interpretation and application of Commission Regulation (EC) No 874/2004 of 28 April 2004 ("Regulation 874/2004") and the .eu Registration Policy and Term and Conditions for Domain Name Applications made during the Phased Registration Period (hereinafter "the Sunrise Rules")

Art. 10 (1) of said Regulation 874/2004 provides that holders of Prior Rights recognised or established by national or Community law shall be eligible to apply to register domain names during a period of phased registration before general registration of .eu domain starts, and that prior rights shall be understood to include, inter alia, registered national and community trademarks.

Art. 12(3) of said Regulation 874/2004 provides that the request to register a domain name based on a Prior Rights shall include a reference to the legal basis in national or Community law for the right to the name, as well as other relevant information, such as trademark registration number.

Art. 14 said Regulation 874/2004 provides for the validation and registration of applications received during the phased registration period:

"Article 14
Validation and registration of applications received during phased registration

All claims for prior rights under Article 10(1) and (2) must be verifiable by documentary evidence which demonstrates the right under the law by virtue of which it exists…

Every applicant shall submit documentary evidence that shows that he or she is the holder of the prior right claimed on the name in question. The documentary evidence shall be submitted to a validation agent indicated by the Registry. The applicant shall submit the evidence in such a way that it shall be received by the validation agent within forty days from the submission of the application for the domain name. If the documentary evidence has not been received by this deadline, the application for the domain name shall be rejected…

Validation agents shall examine applications for any particular domain name in the order in which the application was received at the Registry.

The relevant validation agent shall examine whether the applicant that is first in line to be assessed for a domain name and that has submitted the documentary evidence before the deadline has prior rights on the name. If the documentary evidence has not been received in time or if the validation agent finds that the documentary evidence does not substantiate a prior right, he shall notify the Registry of this…

The Registry shall register the domain name, on the first come first served basis, if it finds that the applicant has demonstrated a prior right in accordance with the procedure set out in the second, third and fourth paragraphs.

Section 21.2 and 21.3 of the Sunrise Rules provide:

"2. The Validation Agent examines whether the Applicant has a Prior Right to the name exclusively on the basis of a prima facie review of the first set of Documentary Evidence received and scanned by the Processing Agent (including the Documentary Evidence received electronically, where applicable) and in accordance with the provisions of these Sunrise Rules.

3. The Validation Agent is not obliged, but it is permitted in its sole discretion, to conduct its own investigations into the circumstances of the Application, the Prior Right claimed and the Documentary Evidence produced."

On the Complainant's own admission the application for registration of the <portas.eu> domain name under the Sunrise Rules was incomplete and while the Complainant did in fact have trade mark rights that would have satisfied the requirements for Prior Rights under the Sunrise Rules, the documentary evidence with which the Validation Agent was provided, only contained an extract of the Companies Register, that was only evidence of the Complainant's rights in its trade name, as distinct from rights in a national or Community Trade Mark as required by the Sunrise Rules.

When considering the approach to be taken by a panel where an application has been refused under the Sunrise Rules because the applicant for registration of the domain name has been deemed defective because an applicant has failed to furnish the correct or adequate information, ADR panels have focused on the extent to which there is an onus on an applicant to ensure that the application was correct and also on the extent to which the Validation Agent has an obligation to investigate the basis of the application.

The onus on the applicant to make a correct application was addressed in ULTRASUN (ADR EU Case No541), where the decision of the learned panel is authority for the proposition that not only does the onus rest on the applicant to provide the necessary documentation, but that the documentation must have been produced during the Sunrise Period. The panel stated as follows:

" In accordance with Article 14 of the Public Policy Regulation, the applicant must show that the applicant itself is the owner (or licensee) of the prior right and this must be the case at the time of the application for the domain name. This view is consistent with the view of the Public Policy Regulation taken by the learned Panelist in Case No. 119 (Nagel)."

In FESTOOL (ADR EU Case No. 1047), the panel emphasised the onus that rests on the applicant to ensure that "a complete, technically correct request for a Domain Name registration" is submitted "which complies with all the requirements provided for in (a) Section 3 of these Sunrise Rules and (b) the Registration Guidelines" and citing the panel in COLT (ADR EU Case No. 294), held that the respondent was correct to reject the application because according to Section 21.2 of the Sunrise Rules, the examination of whether the applicant has a prior right to a domain name is exclusively carried out based on a prima facie review of the first set of Documentary Evidence received.

In NAGEL (ADR EU Case 119), where the applicant for registration of the domain name and the owner of the trademark for which the Prior Right was claimed were different entities, it was held that the complainant did not prove the timely substantiation of its Prior Right.

In OSCAR (ADR EU Case 181), due to technical limitations in the automated application system provided by the Registrar, the complainant was unable to include all characters in its long name Société Cooperative Agricole des Producteurs de Kiwifruits de France. The application received by the Registry referred to the applicant for this domain name as being the "SOCIETE COOPERATIVE AGRICOLE D" and the application was refused. The Panel held that the error was technical and annulled the decision of the Registry.

In ATOLL (ADR EU Case 192), there was a “discrepancy” between the name of the applicant for the domain name and the name of the trademark owners, the Panel found that no documentary evidence was provided substantiating Prior Right of the applicant for the domain name during the application and validation period and, in refusing to annul the decision of the registry, held that the respondent had not erred in its decision to reject the domain name application.

In ISL (ADR EU Case 219), the complainant was the applicant for registration of a domain name <isl.eu> and the complainant relied upon a French registered trade mark as its Prior Right. As Documentary Evidence the applicant had produced a registration certificate of the trademark ISL issued by the Institut National de la Propriété Industrielle, a competent trademark office, under registration number 95579353. However, the certificate of registration certified only that the trademark was valid for a renewable period of 10 years as of 12 April 1996. No certification or evidence of renewal had been submitted during the application period. Refusing the complainant’s application for annulment of the Registry decision, the panel concluded that

“the burden of proof of an existing prior right lies upon the applicant (Complainant) for a domain name under the sunrise periods and neither the validation agent nor the Registry/Respondent has any obligations to undertake further investigations of the (possible) existence of the prior right claimed in a situation as described”.

In CAPRI (ADR EU Case No. 396), while there were many mistakes in the application, refusing to take a formalistic approach, the panellist found that by conducting a more accurate review of the application, the Registry could have easily removed all relevant discrepancies..

The panellist in CAPRI stated that the justice should always rule over the formalistic approach and held:

”• The complainant has finally proven that he is and was before filing the .eu domain name application an owner of the relevant Community trademark CAPRI, No. 000276113, he therefore properly claimed his prior right for the relevant .eu domain name.

• It has to be stated that the complainant has made many mistakes in its application which were very confusing and could have let the registry to believe that the complainant has not proven its right.

• The registry had, however, all possible means and rights to validate properly the prior rights. The registry is not only allowed but even obliged to obey all respective relevant regulations and obligations from these regulations to provide fair and complete validation process. The registry could have done the same validation process as the Panel/the Panelist did which would allow the registry to review more deeply the application and easily remove all relevant discrepancies in the .eu domain name application.

• They are many technical issues which do not give the applicants appropriate possibilities and space to fill fully and without any mistake the applications. The technique can not be an obstacle to register properly the .eu domain name and grant the priority rights.

• To conclude, the complainant/the applicant has proven his priority rights based on the Community trademark. He is therefore entitled to get the “CAPRI” EU domain name.”

Divergent views have emerged among panelists as to whether the Validation Agent has an obligation to investigate. Some panelists have gone so far as to impose a high duty on the validation agents. In other cases the panelists have pointed out that the obligation on the validation agent is only to carry out a prima facie review with a power, but no duty, to investigate, and have put the emphasis on the discretion afforded to the Validation Agent in this regard.

In COLT (ADR EU Case No. 294) , the Panel stated that

“the attention must be drawn on section 21.2 of the Sunrise Rules that expressly states that the Validation Agent will examine whether the applicant has a prior right to the name exclusively on the basis of a prima facie review of the first set of Documentary Evidence received. It means that an applicant should not expect the Respondent or Validation agent to engage in speculation and/or embark upon its own enquiry in relation to the exact connection between two entities”

In SCHOELLER (ADR EU Case 0253), on the other hand, the panel took the view that there was a high degree of duty on the validation agents during the Sunrise Period to carry out investigations where there were apparent discrepancies between the details of the applicants and the holders of the claimed Prior Rights:

“While the same section 21 (3) of the Sunrise Rules grants the Validation Agent “sole discretion” to carry out such investigations, it is a fundamental principle of justice that, when granted such discretion, the Validation Agent is not exempted from the requirement to act reasonably. Indeed, it may be argued that the extent of the discretion granted to the Validation Agent implies a higher standard of care and reasonableness. In the circumstances of the case, the Validation Agent could have easily cleared up any doubts by seeking and obtaining further proof of identity despite change of address and a slightly abbreviated name. It would be unreasonable for the Validation Agent not to have expended the minimum of effort required to clear any small doubt. For it is clearly the intention of the .eu Sunrise Rules that the role of the Validation Agent should go far beyond that of a mere clerical function, otherwise it would not have endowed this office with such wide and important investigative powers.”

In LAST-MINUTE (ADR EU Case No. 328), the complainant was lodged by a third party alleging that by carrying out an investigation into the applicants Prior Rights, where the application had been incomplete, the validation agent had unfairly provided the applicant with an advantage. The panelist described the nature of the validation agent’s discretion in the following terms:

“The Validation Agent is permitted in its sole discretion to conduct its own investigation, and therefore it is permitted to determine the Prior Right claimed by the domain name applicant. By conducting a limited formal investigation of the application and of the Prior Right claimed, through the documentary evidenced received in accordance with the Sunrise Rules, the Validation Agent determined that L’Tur is the registered owner of the trademark “Last Minute” for which Prior Right is claimed.”

Furthermore as to the nature of the obligation on the validation agent to carry out an investigation, in ULTRASUN (ADR EU Case No541), the panellist stated that the obligation on the validation agent to investigate an application is discretionary and not mandatory in the following terms:

“The Complainant submits that the validation agent should have conducted an investigation pursuant to Section 21.3 of the Sunrise Rules to satisfy itself as to ownership of the prior right. However the Panel is of the view that the wording of the relevant section makes it clear that such an investigation is discretionary on the part of the validation agent and by no means mandatory. This interpretation is consistent with previous .eu ADR decisions including Case No. 127 (BPW) and Case No. 294 (Mitsubishi Motors).

Further, Section 21.2 of the Sunrise Rules makes it clear that the validation agent is to carry out a prima facie review of the first set of the documentary evidence received from the applicant to establish whether a prior right exists and Section 21.1 confirms that neither the validation agent nor the Respondent are obliged to notify the applicant if it does not comply with the documentary requirements – in this case failing to submit the required licensee declarations….”

The panel in ULTRASUN furthermore noted the decisions in. SCHOELLER (ADR EU Case No. 253) and CASHCONTROL, (ADR EU Case No. 431) where the Panelists held that the validation agent should have further investigated the documentary evidence supplied by the applicant, but stated that these cases are distinguishable on their facts - unlike in ULTRASUN itself, they involved situations where the name of the applicant and the holder of the prior right were almost identical and in the former case involved a system limitation restricting the Complainant’s ability to specify its full name so as to correspond with the documentary evidence submitted.

Having considered the Regulations, the Rules and the decisions of other panellists, this Panellist is of the view that the principal obligation during the Sunrise Period rested on the applicant to ensure that the application was correct and while it is not appropriate in the present case to endeavour to identify an overall principle governing the exercise of Validation Agent’s decision as to whether or when it should further investigate an application under the Sunrise Rules, (in the present case no such obligation arose), it is possible that the question may well come down to a question of reasonableness on a case by case basis. In the present case, the Complainant has admitted that its application was incorrect and that the errors were not due anything or anyone other than the lack of expertise on the part of the Complainant in making the application.

This was not a case of a technical error or an incomplete application due to technical limitations of the system. The error on this case was due to a lack of understanding of what was required for an application to succeed in the first phase of the Sunrise Period. It is not permissible for the Complainant to endeavour to “mend its hand” by endeavouring to bring further evidence in ADR proceedings.

One must ask was it reasonable to expect that the Validation Agent should carry out a search of the German Trade Marks Register and the OHIM database when presented with the Complainant’s application ? In the view of this Panel, in the circumstances that have been

outlined in the present case, where the Complainant furnished only evidence of its company name, it was quite reasonable for the Validation Agent not to investigate further. Despite the standard warranties and statements that accompanied the application and that were relied upon by the Complainant in this case, there was no hint to the Validation Agent that the applicant was the owner of a particular German Registered Trade Mark or a CTM registration. In such circumstances, it would be too much to impose an obligation on the Validation Agent to investigate further.

This is not a case where the Panel is asked to decide whether a Priority Right exits or not, as suggested by the Complainant. Neither is it a question of whether formalistic rules should win over justice, as the Complainant also suggested. The questions are whether the Validation Agent had a duty to investigate and also whether the Complainant should be given the opportunity to mend its hand, having made an error?

The Panel therefore determines that the Respondent was correct in its decision to refuse the Complainant's application for registration under the Sunrise Rules and the Complaint is denied.

For completeness, as pointed out by the learned panellist in FESTOOL (ADR EU Case No. 01047) under s 26.2 of the Sunrise Rules, it is stated that "[t]he sole object and purpose of an ADR Proceeding against the Registry is to verify whether the relevant decision by the Registry conflicts with the Regulations." In the definitions provided in the Sunrise Rules, "Regulations" are defined as "the .eu Regulation and the Public Policy Rules," the former meaning EC Regulation 733/2002 and the latter EC Regulation 874/2004. Furthermore Article 22.11, second paragraph, of EC Regulation 874/2004 also states that "[i]n the case of a procedure against the Registry, the ADR panel shall decide whether a decision taken by the Registry conflicts with this Regulation or with Regulation (EC) No 733/2002."

It would seem to follow that it is not within the jurisdiction of this Panel to address the claim that the Complainant makes to be entitled to registration of the domain name on the basis of the first-come-first-served principle.

DECISION

For all the foregoing reasons, in accordance with Paragraphs B12 (b) and (c) of the Rules, the Panel orders that the Complaint is Denied

PANELISTS

Name	**James Bridgeman**

DATE OF PANEL DECISION 2006-08-22

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The Complainant was at all material times the owner of registered trade marks that would have satisfied the registration criteria under the Sunrise Rules viz. CTM 000774554 "PORTAS" registered as a figurative mark on 20 August 20, 2001 and German Registered Trade Mark 39815196.2 "PORTAS" which has been registered at the German Patent- and Trade Mark Office on 5 August 1998.

However, due to a lack of expertise on the part of the Complainant, the documentary evidence with which the Validation Agent was provided contained only an extract of the Companies Register which was evidence of the Complainant's rights in its trade name but not in any trade mark.

No investigation of the Complainant's rights was carried out by either the Validation Agent or the Respondent.

The Respondent rejected the Complainant's application on the grounds that the Complainant had failed to submit documentary evidence which showed that it is the holder of a Prior Right.

The panel found that it was quite reasonable for the Validation Agent not to investigate further. There was no hint to the Validation Agent that the Complainant was the owner of Prior Rights in the form of a German Registered Trade Mark or a CTM registration, in such circumstances, it would be too much to expect the Validation Agent to investigate further.

The Panel therefore determined that the Respondent was correct in its decision to refuse the Complainant's application for registration under the Sunrise Rules and the Complaint was denied.